

August 13, 1999

**PETITION BY E.SPIRE COMMUNICATIONS, INC.
AND AMERICAN COMMUNICATIONS SERVICES,
OF NASHVILLE, INC. FOR ARBITRATION OF AN
INTERCONNECTION AGREEMENT WITH
BELLSOUTH TELECOMMUNICATIONS, INC.
PURSUANT TO SECTION 252(B) OF THE
TELECOMMUNICATIONS ACT OF 1996**

DOCKET NO. 98-00834

This matter came before the Tennessee Regulatory Authority (“Authority”) at a regularly scheduled Authority Conference held on January 19, 1999, upon the petition of e.spire Communications, Inc. (“e.spire”) for arbitration with BellSouth Telecommunications, Inc. (“BellSouth”) pursuant to the federal Telecommunications Act of 1996 (the “1996 Act”).

On November 25, 1998, e.spire filed a petition for arbitration pursuant to 47 U.S.C. Section 252 of the 1996 Act, seeking renegotiation of its existing agreement with BellSouth. On December 11, 1998, e.spire and Intermedia Communications, Inc. (“Intermedia”) filed a joint motion seeking to consolidate this arbitration proceeding with the Intermedia arbitration, Docket No. 98-00815. On January 26, 1999, e.spire and BellSouth filed a proposed Agreed Order relative to such consolidation.

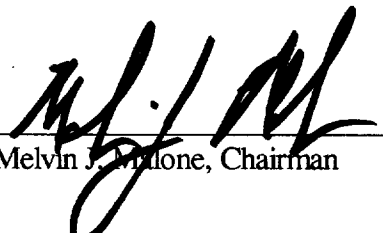

At the Authority Conference of January 19, 1999, the Authority unanimously approved e.spire's Petition for Arbitration. However, on April 1, 1999, e.spire filed a letter stating that an

agreement had been reached with BellSouth to settle and withdraw its Petition for Arbitration with the Authority.

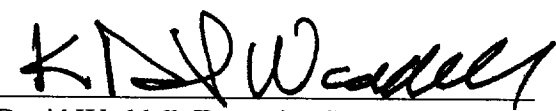
In light of the settlement between e.spire and BellSouth, the Authority finds that there is no longer a need for arbitration at this time and, consequently, e.spire should be allowed to withdraw its Petition for Arbitration.

IT IS THEREFORE ORDERED THAT:

- 1) e.spire's request to withdraw its Petition for Arbitration without prejudice is hereby granted; and
- 2) Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Tennessee Regulatory Authority within ten (10) days from and after the date of this Order.


Melvin J. Malone, Chairman
H. Lynn Greer, Jr., Director
Sara Kyle, Director

ATTEST:


K. David Waddell, Executive Secretary